

Col Terando has been the epitome of what a Marine Corps leader should be. His performance throughout his career was exemplary.

I offer Col Terando my warmest congratulations and hope that he enjoys a rich and rewarding retirement with his wife Janet.

Mr. Speaker, I ask that my colleagues please join me in recognizing the career of Col Terando.

RECOGNIZING DEVERAUX AND
KRISTIE HUBBARD

HON. CHERI BUSTOS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 3, 2014

Mrs. BUSTOS. Mr. Speaker, I rise today to recognize the achievements and community work of Deveraux and Kristie Hubbard, of Peoria, IL.

Deveraux and his wife Kristie have been and continue to be invaluable members of their community, and for their hard work and dedication, they have fittingly been honored at the annual Boy Scouts of America, W. D. Boyce Council, Whitney M. Young reception on June 29, 2014.

Extremely active throughout their communities in other capacities, Deveraux and Kristie have prioritized their work with our local youth and their dedication to the local Boy Scout troop is to be admired.

The Boy Scouts of America is one of the nation's largest and most prominent values-based youth development organizations. Scouting is unique and provides young men with opportunities and structure they may otherwise never experience.

Mr. Speaker, I'd like to thank the Hubbard family for their years of dedicated service to the greater Peoria community. They have truly been a catalyst for change and growth in the community. I am delighted to recognize their achievements and pleased to know they are not alone in their dedication to our youth and community development.

RECOGNIZING THE CENTENNIAL
OF THE CITY OF WESTPORT,
WASHINGTON

HON. DEREK KILMER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 3, 2014

Mr. KILMER. Mr. Speaker, I rise today to recognize the city of Westport, WA, which is celebrating its 100th year as a city on June 26, 2014. This historic fishing community located on the beautiful coast of Washington State serves as a gateway to Grays Harbor and the majestic Olympic Mountains.

The city of Westport has a rich history. The coastal community and region is the ancestral home of several local Native American tribes who remain vibrant today. In the summer of 1857, Thomas Barker Speake and his family settled in what would eventually become the city known as Westport.

Among the earliest structures built, the Westport Lighthouse was dedicated on April 14, 1898, and still stands as a beacon for weary mariners anxious to return home from sea.

By 1914, Westport was a busy, though small, center for fishing, shellfish harvesting, seafood processing, and tourism. This history has given Westport a strong connection to its environment and natural resources. Today, with a population of over 2,000 citizens, Westport continues to rely on these resources for much of its livelihood.

Westport's centennial celebration demonstrates the vitality and continued excellence of the city's maritime and fishing heritage. I have seen firsthand some of the businesses that keep Westport moving forward, such as Ocean Gold Seafood and Westport Shipyards. I have enjoyed the extraordinary sense of community that happens during the annual Blessing of the Fleet.

The Founders Day celebrations will help ring in the 100th anniversary of the beloved City of Westport. I am proud to join Mayor Michael Bruce in his efforts to commemorate this special occasion.

Mr. Speaker, I would like to close by again congratulating the City of Westport on their first centennial celebration. I am pleased today to recognize in the United States Congress the city's contribution to my home state's history and to a stronger nation.

CUSTOMER PROTECTION AND END
USER RELIEF ACT

SPEECH OF

HON. RICHARD HUDSON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 2014

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H.R. 4413) to reauthorize the Commodity Futures Trading Commission, to better protect futures customers, to provide end users with market certainty, to make basic reforms to ensure transparency and accountability at the Commission, to help farmers, ranchers, and end users manage risks to help keep consumer costs low, and for other purposes:

Mr. HUDSON. Mr. Chair, I submit the following exchange of letters:

COALITION FOR DERIVATIVES

END-USERS,

June 17, 2014.

Re End-User Support for Adding Derivatives End-User Bills to the Commodity Futures Trading Commission Reauthorization Bill.

Hon. FRANK D. LUCAS,
Chairman, House Committee on Agriculture,
House of Representatives, Washington, DC.

Hon. COLLIN C. PETERSON,
Ranking Member, House Committee on Agriculture,
House of Representatives, Washington, DC.

DEAR CHAIRMAN LUCAS AND RANKING MEMBER PETERSON: The Coalition for Derivatives End-Users is writing to thank you and the other members of the Committee on Agriculture for incorporating language into H.R. 4413 that would protect derivatives end-users from harmful and unnecessary margin and clearing requirements. H.R. 4413, the Customer Protection and End-User Relief Act, reauthorizes the Commodity Futures Trading Commission ("CFTC") and was approved in your Committee by voice vote on April 9, 2014. The Coalition strongly supports your bill and hopes that it will pass the House on a bipartisan basis.

Your bill incorporates H.R. 634, the Business Risk Mitigation and Price Stabilization

Act of 2013, which would ensure that non-financial derivatives end-users are not subject to unnecessary margin requirements. This bill passed the House of Representatives last year 411-12. Your bill also incorporates key provisions of H.R. 677, the Inter-Affiliate Swap Clarification Act, which was reported favorably out of both the House Financial Services and House Agriculture Committees last year. These provisions would exempt certain swaps with centralized treasury units ("CTUs") of non-financial end-users from clearing requirements.

A recent Coalition survey of chief financial officers and corporate treasurers, released on March 26, 2014, underscores the urgent need for the end-user provisions contained in your reauthorization bill. The survey found that 86 percent of respondents indicated that fully collateralizing over-the-counter derivatives would adversely impact business investment, acquisitions, research & development and job creation.

Nearly half of our survey respondents use CTUs to execute OTC derivatives. The CFTC has issued no-action relief so that some end-users that employ CTUs may avail themselves of the clearing exception. However, our survey found that, of those respondents that utilize a CTU structure, 69 percent do not qualify for the CFTC's no-action relief or are unsure about whether they could rely on the relief.

We thank you for your efforts to address the concerns of derivatives end-users. Throughout the legislative process, the Coalition has supported efforts to increase transparency in the derivatives markets and enhance financial stability for the U.S. economy through thoughtful new regulation while avoiding needless costs. Your bill would help end-users to focus their efforts and capital less on needless regulation and more on innovation, growth and job creation.

Sincerely,

AGRICULTURAL RETAILERS
ASSOCIATION.
BUSINESS ROUNDTABLE.
FINANCIAL EXECUTIVES
INTERNATIONAL.
NATIONAL ASSOCIATION OF
CORPORATE TREASURERS.
NATIONAL ASSOCIATION OF
MANUFACTURERS.
U.S. CHAMBER OF
COMMERCE.

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
June 19, 2014.

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES: The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, strongly supports H.R. 4413, the "Customer Protection and End-User Relief Act," a bipartisan bill that would reauthorize the Commodity Futures Trading Commission (CFTC), and make a number of important reforms designed to promote smart regulation, enhance accountability at the CFTC, and protect Main Street businesses from onerous and unintended derivatives regulation.

The Chamber is particularly supportive of provisions in H.R. 4413 that would help preserve the ability of commercial end users to manage their financial risks by using derivatives. Congress clearly intended to shield non-financial companies from certain regulatory requirements contained in the Dodd-Frank Act—a mandate that unfortunately has not been carried out fully by regulatory

agencies—and last year the House voted 411–12 to pass legislation to exempt end users from margin requirements. H.R. 4413 includes that critical exemption and a number of other fixes that would ensure non-financial companies would be protected from burdensome and unnecessary regulations, consistent with Congress's clear intent almost four years ago.

The Chamber also supports provisions in this bill intended to promote transparency and accountability in the CFTC's rule-making process, including a requirement to conduct a cost-benefit analysis for new rules, and the creation of an Office of the Chief Economist to support such analysis. Cost-benefit analysis has been a fundamental tool of effective government for more than three decades, and these requirements would help protect Main Street businesses, investors, and consumers from some of the unintended consequences of regulation.

Additionally, H.R. 4413 contains a number of sensible provisions that would promote principles of good governance, including providing market participants with more certainty regarding “no action” letters issued by the CFTC staff, and a requirement that the CFTC develop internal risk control mechanisms in order to protect sensitive market data. These are common sense measures that would help make the CFTC a more effective and accountable regulator, and the Chamber appreciates their inclusion in this bill.

The Chamber strongly urges you to vote in favor of H.R. 4413 and may consider including votes on, or in relation to, this bill in our annual How They Voted scorecard.

Sincerely,

R. BRUCE JOSTEN.

BUSINESS ROUNDTABLE,
Washington, DC, June 16, 2014.

Hon. JOHN BOEHNER,
Speaker, House of Representatives,
Washington, DC.

Hon. FRANK LUCAS,
Chairman, Committee on Agriculture, House of
Representatives, Washington, DC.

Hon. NANCY PELOSI,
Minority Leader, House of Representatives,
Washington, DC.

Hon. COLLIN PETERSON,
Ranking Member, Committee on Agriculture,
House of Representatives, Washington, DC.

DEAR SPEAKER BOEHNER, MINORITY LEADER PELOSI, CHAIRMAN LUCAS, AND RANKING MEMBER PETERSON: On behalf of the more than 200 member CEOs who lead major American companies operating in every sector of the U.S. economy, I wish to convey Business Roundtable's strong endorsement of H.R. 4413, the Customer Protection and End-User Relief Act, as reported by the House Committee on Agriculture, which would reauthorize the U.S. Commodity Futures Trading Commission (CFTC).

In particular, Business Roundtable strongly supports important provisions included in H.R. 4413 that will reform derivatives regulation to focus more effectively on addressing potential systemic economic risk.

H.R. 4413 incorporates H.R. 634, the Business Risk Mitigation and Price Stabilization Act of 2013, which would ensure that non-financial derivatives end-users, who pose no systemic risk to the U.S. economy, are not subject to unnecessary margin requirements. This bill passed the House of Representatives last year by a strong bipartisan vote of 411–12 and is needed more than ever due to the uncertainty associated with differing margin proposals from the financial regulators.

H.R. 4413 also incorporates key provisions of H.R. 677, the Inter-Affiliate Swap Clarification Act, which was reported favorably out of both the House Financial Services and

House Agriculture Committees last year. The language in H.R. 4413 would ensure that end-users are not subject to clearing requirements applicable to banks simply because they trade through efficient, cost-effective centralized treasury units (CTUs).

A recent survey conducted by the Coalition for Derivatives End-Users of chief financial officers and corporate treasurers underscores the urgent need for the end-user provisions in H.R. 4413. Eighty-six percent of respondents indicated that fully collateralizing over-the-counter (OTC) derivatives would adversely impact business investment, acquisitions, research and development, and job creation, and more than nine in ten end-users indicated that a margin requirement would cause them to alter their hedging strategy.

Nearly half of the survey respondents use CTUs to execute OTC derivatives. The CFTC has issued no-action relief so that some end-users that employ CTUs may avail themselves of the clearing exception. However, the survey found that of those respondents that utilize a CTU structure, 69 percent do not qualify for the CFTC's no-action relief or are unsure about whether they could rely on the relief. Thus, a legislative solution is essential.

Business Roundtable supports efforts to increase transparency in the derivatives markets and enhance financial stability for the U.S. economy through thoughtful new regulation while avoiding needless costs. We appreciate you moving this legislation forward and urge the House of Representatives to pass this vital, bipartisan legislation to ensure that derivatives regulation addresses real economic risks without adversely affecting non-financial end-users who utilize derivatives to reduce risk.

Sincerely,

ALEXANDER M. CUTLER,
Chairman and Chief
Executive Officer,
Eaton; Chair, Corporate
Governance
Committee, Business
Roundtable.

CUSTOMER PROTECTION AND END USER RELIEF ACT

SPEECH OF

HON. K. MICHAEL CONAWAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 2014

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H.R. 4413) to reauthorize the Commodity Futures Trading Commission, to better protect futures customers, to provide end users with market certainty, to make basic reforms to ensure transparency and accountability at the Commission, to help farmers, ranchers, and end users manage risks to help keep consumer costs low, and for other purposes:

Mr. CONAWAY. Mr. Chair, I submit the following exchange of letters:

AMERICAN PUBLIC POWER ASSOCIATION,
Washington, DC, June 16, 2014.

Hon. FRANK D. LUCAS,
Hon. COLLIN C. PETERSON,
Committee on Agriculture, House of Representatives,
Washington, DC.

DEAR CHAIRMAN LUCAS AND RANKING MEMBER PETERSON: On behalf of the American Public Power Association (APPA), I am writing in support of House passage of H.R. 4413, the Customer Protection and End-User Relief Act. The legislation includes important

relief for public power utilities and other end-users seeking to use swaps to hedge commercial-operations risks. APPA is the national service organization representing the interests of more than 2,000 not-for-profit, locally-owned electric utilities in the United States. These public power utilities are in every state in the nation (except Hawaii) and provide power to more than 47 million Americans.

In particular, the legislation incorporates the provisions of H.R. 1038, the Public Power Risk Management Act (PPRMA). As you know, PPRMA was approved on a 423–0 vote in the House on June 12, 2013, and has since been introduced on a bipartisan basis in the Senate. The legislation is needed to address Commodity Futures Trading Commission rules which resulted in public power utilities losing—on average—half the available counterparties to swaps needed to hedge their commercial operations risks. The legislation will allow public power utilities to hedge commercial-operations risks on an even playing field with other end users in the power and natural gas utility sector. This means continued reliable power at affordable—and predictable—prices to customers.

H.R. 4413 would take other important steps to improve protections for consumers and commercial end users. By addressing issues related to margin requirements for non-financial end-users, the definition of “bona fide hedging,” swap reporting in illiquid markets, and forward contracts with volumetric optionality, the bill improves the CEA to better reflect the needs of end users.

Finally, we praise the clarity provided as to the intent of the legislation in the accompanying committee report and the changes made to the bill in response to legitimate concerns raised by other stakeholder groups. We understand that concerns remain and hope that you will continue to work toward consensus. We stand ready to assist if we can.

Thank for your continued efforts.

Sincerely,

SUSAN N. KELLY,
President & CEO.

AMERICAN GAS ASSOCIATION,
Washington, DC, March 26, 2014.

Hon. FRANK D. LUCAS,
Chairman, House Committee on Agriculture,
Washington, DC.

Hon. COLLIN C. PETERSON,
Ranking Member, House Committee on Agriculture,
Washington, DC.

DEAR CHAIRMAN LUCAS AND RANKING MEMBER PETERSON: The American Gas Association appreciates the opportunity to support the Committee in its efforts to review the Commodity Exchange Act (CEA) and reauthorize the Commodity Futures Trading Commission (CFTC). AGA supports H.R. 4267, a bill to amend the CEA to provide relief for end-users that use physical contracts with volumetric optionality, as providing necessary regulatory clarity to energy end-users. In particular, AGA believes H.R. 4267 will protect natural gas utilities' ability to mitigate commercial risk and restore the contractual innovation and liquidity in physical natural gas markets that gas utilities rely on to deliver affordable, reliable natural gas to America's energy consumers.

The American Gas Association (AGA), founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 71 million residential, commercial and industrial natural gas customers in the U.S., of which 94 percent—over 68 million customers—receive their gas from AGA members. AGA is an advocate for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas